

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7575

BILL NUMBER: HB 1523

NOTE PREPARED: Jan 12, 2003

BILL AMENDED:

SUBJECT: Investment selections.

FIRST AUTHOR: Rep. Dobis

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: Permits members of the legislators' defined contribution fund to change investment selections not more than twice each calendar month with three days notice and requires the public employees' retirement fund (PERF) board to implement the change: (1) on the first day of the next month, for changes made after April 30, 2003; and (2) by the next business day, for changes made after September 31, 2003. Requires the PERF board to value each alternative investment program in the legislators' defined contribution fund at the end of each calendar quarter, including contributions received and benefits paid during the quarter. Requires that contributions be credited to the legislators' defined contribution fund at least quarterly. Permits members of the teachers' retirement fund (TRF) and PERF to change investment selections not more than twice each calendar month with three days notice and requires the boards of the retirement funds to implement the change: (1) on the first day of the next month, for changes made after June 30, 2004; and (2) by the next business day, for changes made after December 31, 2004. Requires PERF and TRF to: (1) report to the pension management oversight commission (PMOC) during the 2003 and 2004 interims on the implementation of the changes; and (2) certify to PMOC if the changes to PERF and TRF cannot be completed by December 31, 2004.

Effective Date: Upon passage; July 1, 2003.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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